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FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34719]

Cornhusker Railways LLC—Acquisition and Operation Exemption—Rail Line of DTE Rail Services, Inc.

Cornhusker Railways LLC (CHR), a noncarrier,¹ has filed a verified notice of exemption under 49 CFR 1150.31 to acquire by purchase from DTE Rail Services, Inc. (DTERS) and operate approximately 5.0 miles of rail line, as well as certain related yard, industry, side and spur tracks, between an interchange with BNSF Rail Company (BNSF) at milepost 103.55 near Ovina, and an interchange with Union Pacific Railroad Company (UP) at milepost 154.5 near Alda, in Hall County, NE.²

CHR certifies that its projected revenues as a result of the transaction will not exceed those that would qualify it as a Class III rail carrier and will not exceed \$5 million.

¹ CHR is controlled by noncarrier DTE Coal Services, which does not control any other carriers.

² DTERS purchased the line along with certain other adjacent rail facilities and associated structures from the U.S. Government in 2004 for use in the construction and operation of a railcar repair facility. The line connects with BNSF and UP, and DTERS has used the line as a private spur for the transfer of railcars between its shops and the two railroads. Under the proposed transaction, CHR will purchase both the track and the underlying right-of-way and will grant a non-exclusive, immediately terminable lease of the line back to DTERS for DTERS' non-common carrier use. CHR will retain the responsibility and the ability to provide common carrier service by means of reserved joint use rights.

Consummation was scheduled to take place shortly after the effective date of the exemption (the exemption became effective June 27, 2005, 7 days after filing).

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34719, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on C. Michael Loftus, 1224 Seventeenth Street, N.W., Washington, DC 20036.

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Decided: July 5, 2005.

By the Board, Joseph M. Dettmar, Acting Director, Office of Proceedings.

Vernon A. Williams

Secretary